
HOUSE BILL 1997

State of Washington 60th Legislature 2007 Regular Session

By Representatives Pearson and Kristiansen

Read first time 02/05/2007. Referred to Committee on Commerce & Labor.

1 AN ACT Relating to medical providers receiving payment for
2 authorized treatment in industrial insurance claims; and amending RCW
3 51.36.080.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

5 **Sec. 1.** RCW 51.36.080 and 1998 c 245 s 104 are each amended to
6 read as follows:

7 (1) All fees and medical charges under this title shall conform to
8 the fee schedule established by the director and shall be paid within
9 sixty days of receipt by the department of a proper billing in the form
10 prescribed by department rule or sixty days after the claim is allowed
11 by final order or judgment, if an otherwise proper billing is received
12 by the department prior to final adjudication of claim allowance. The
13 department shall pay interest at the rate of one percent per month, but
14 at least one dollar per month, whenever the payment period exceeds the
15 applicable sixty-day period on all proper fees and medical charges.

16 Beginning in fiscal year 1987, interest payments under this
17 subsection may be paid only from funds appropriated to the department
18 for administrative purposes.

1 Nothing in this section may be construed to require the payment of
2 interest on any billing, fee, or charge if the industrial insurance
3 claim on which the billing, fee, or charge is predicated is ultimately
4 rejected or the billing, fee, or charge is otherwise not allowable
5 unless the department has authorized the treatment in writing prior to
6 rejecting the claim. If the department authorizes treatment in writing
7 for a claim that is subsequently rejected by the department, the
8 department shall, at no cost to the employer, reimburse a provider who
9 provides the authorized treatment prior to the rejection of the claim.

10 In establishing fees for medical and other health care services,
11 the director shall consider the director's duty to purchase health care
12 in a prudent, cost-effective manner without unduly restricting access
13 to necessary care by persons entitled to the care. With respect to
14 workers admitted as hospital inpatients on or after July 1, 1987, the
15 director shall pay for inpatient hospital services on the basis of
16 diagnosis-related groups, contracting for services, or other prudent,
17 cost-effective payment method, which the director shall establish by
18 rules adopted in accordance with chapter 34.05 RCW.

19 (2) The director may establish procedures for selectively or
20 randomly auditing the accuracy of fees and medical billings submitted
21 to the department under this title.

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